

Adding Value to Municipalities and Governments

Accounting Expertise,
Compliance, and
Client Referrals
Build Trust Among
Local Townships

Overview

Every township, borough, city, county, school system, and public utility relies on public taxes to operate. In turn, those municipal governing bodies are accountable to their taxpayers to ensure the efficient use, reporting, and legal compliance of funds.

In some cases, a finance/business manager or treasurer will be elected to those local governing boards by voters. In other cases, the finance manager will be selected and appointed.

Client Scenario/Challenges

Municipal finance managers receive a salary, and typically receive a benefits package and pension, which can be worth as much as 60–80% of the salary.

Job responsibilities may include the following:

- ▶ Bookkeeping and general accounting
- ▶ Bank deposits
- ▶ Tax filing and reporting
- ▶ Filing of required paperwork (county, state, federal, etc.)
- ▶ Financial reporting, including public presentations at board / council meetings
- ▶ Writing checks
- ▶ Auditing and other compliance
- ▶ Securing and managing loans or other financing
- ▶ Municipal debt issues, including debt refinancing
- ▶ Real estate brokering and financing

Their reporting structure and oversight depend on the local township or borough bylaws. They may be part of a finance committee. They may report directly to the head of the municipality. They may be required to report to council once a week, once a month, once a quarter—or there may be no reporting requirements in place. The ability to provide timely financial services—along with providing a level of complete trust and high ethical standards—is of the utmost importance.

2009–2017

Thornbury Township Flourishes

- Budget grew \$3 million to \$7 million
- Millions of dollars' worth of land purchased for the community

BGA&F Solutions

In 2008, as the CPAs from **Barsz Gowie Amon & Fultz** (BGA&F) were performing an accounting audit on the finances for Thornbury Township in Delaware County, Pennsylvania, they found irregularities in the way finances were being managed.

After they reported these audit findings, the team of CPAs realized there was an opportunity to provide the same services that the township treasurer provided—with the timeliness, expertise, and adherence to compliance that comes from years of experience building a certified public accounting firm with a solid reputation. They also knew they could provide services more cost-effectively. After all, the township would not have to pay for benefits and pension for a privatized position.

They made a bid to Thornbury Township and were approved to begin in 2009. BGA&F began staffing the township office several days every week, providing all of the accounting, tax, and financial services and information the Thornbury board needed to make financial decisions confidently, in real time.

Nearby Bethel Township became interested in what they called the “Thornbury Model” of outsourced financial services, and became a client in 2010, subcontracting out their entire finance department to BGA&F. Nearby Aston Township soon followed.

After a BGA&F Partner attended an event in Honey Brook Township, Chester County, Pennsylvania, the team was awarded a contract there. Honey Brook referred them to their client in West Caln Township, who referred the CPA team to council members of the city of Coatesville, where BGA&F started working. They later worked with the Coatesville Redevelopment Authority, tasked with working on funding, debt refinancing, and other services related to revitalization efforts in the former steel town.

The list of BGA&F's municipal and government clients continues to grow.

Results

Through proven expertise and the ability to plan and work quickly, the BGA&F team provides a full range of financial and accounting services cost-effectively—a big plus to taxpayers.

Approximately six members of the BGA&F team currently support municipal and government clients in either a full- or part-time capacity.

They provide real time financial data including cash balances, meet with the councils/committees regularly, attend public meetings providing treasurer reports as required, get involved with bond issues and refinancing of debt, and often provide counsel for everything from sewer systems to fire trucks.

In addition to townships and cities, the team supports county governments, school boards, and other municipal services organizations with the same full-range accounting and financial services. They even act as the tax collector in one township, and still perform accounting audits to many other government entities.

Today, municipal and government services have become a successful niche business for the BGA&F team, and one which differentiates them from their accounting firm competitors.